# City Council Meeting Packet



August 21, 2020

#### **AGENDA**

#### Norton City Council

#### August 18, 2020

#### 6:00 P.M.

- 1. Roll Call
- 2. Invocation
- 3. Pledge of Allegiance
- 4. Approval of Minutes
  - 1. Meeting of August 4, 2020
- 5. Audience for Visitors
- 6. New Business
  - A. Request for Authorization on a Proposed Girl Scout Community Service Project.
  - B. Consideration of an Interagency Agreement that will be Used as Party of the Community Development Block Grant to the City to Fund the LENOWISCO Regional Small Business Recovery Assistance Grant Program.
  - C. Consideration of a Memorandum of Understanding Between the City of Norton and United Way of Southwest Virginia.
  - D. CARES Act Funding Update.
  - E. Confirmation of a Check/Transfer in Excess of \$100,000.
  - F. Closed Meeting for Personnel as Per Section 2.2-3711 (A) (1) of the Code of Virginia as Amended.

1. Appointment to the Department of Social Services Board for a Four-Year Term, Currently Vicki Stidham Whose Term Expires 08/5/20.

### To 08/5/24

- 7. Comments by the City Manager, City Attorney, and City Council.
- 8. Adjournment.

The regularly scheduled meeting of the Norton City Council was held Tuesday, August 4, 2020, at 6:00 p.m., in the Municipal Council Chambers with Mayor Joseph Fawbush presiding.

Council Members Present: William Mays, Robert Fultz, Jr., Joseph Fawbush, and Mark Caruso

Also Present: Fred L. Ramey, Jr., City Manager

Absent: Delores Belcher

The invocation was given by Councilman Robert Fultz and was followed by the Pledge of Allegiance led by Fire Chief Todd Lagow.

Upon a motion by Councilman Mays, seconded by Councilman Fultz, and passed by the following unanimous vote: YES – Mays, Fultz, Fawbush, Caruso, NO – None, ABSENT – Belcher, council moved to adopt the minutes of the July 21, 2020, meeting as presented.

There was no response to the Mayor's Call for Visitors.

Council had been presented with a request for a Revocable Special Use Permit to allow the placement of tables and chairs and a free-standing sign on city property at 736 Park Avenue, N.W.

Blake Salyer told council that Lincoln Road Coffee House will be opening a coffee lounge and sharing the space at 736 Park Avenue, N.W., with current tenant Zest Catering. Via PowerPoint presentation, Mr. Salyer showed council the coffee lounge would like to place some tables and seating on the sidewalk and a movable "curbside pickup" sign in the parking space in front of the business. He explained that the coffee lounge is competing with business with drive-thru service and this is the only way for the lounge to match the drive-thru service.

After a brief discussion and upon a motion by Councilman Caruso, seconded by Councilman Mays, and passed by unanimous vote, council moved to permit two 15 minute parking spaces and two bistro style tables and four chairs on the sidewalk in front of 736 Park Avenue, N.W., and authorized the city manager to prepare a Revocable Special Use Permit for the two requests and to have two "15 minute" parking signs installed in front of 736 Park Avenue, N.W.

The next agenda item was an annual update from Norton Rescue Squad (NRS) by Chief Operating Officer (COO) Todd Lagow.

Prior to Mr. Lagow's update, the city manager discussed statistical data, using the 2019 NRS tax return, stating the number of rescue calls for 2019 had slightly increased while BINGO proceeds had not seen an increase as in past revenue levels. The city manager told council that NRS operating expenses and total revenues have remained steady for 2019.

Mr. Lagow thanked Buddy Cash and his team and the NRS Board of Directors for placing the rescue squad in a better financial position. He said the squad began using a new billing company from Paducah, Kentucky, and that better documentation of transports has given the billing company the ability to increase the squad's revenue. Mr. Lagow noted Wise County increased the rescue squad's appropriation from \$15,000 to \$28,000 and that this additional funding was very helpful. Mr. Lagow said the rescue squad is also trying to cut fixed expenses such as outdoor lighting and they are in the process of changing the 20-year-old BINGO

machine. He said BINGO revenues will be short approximately \$40,000 this year due to COVID-19. Mr. Lagow said the squad did some renovations to the house located at the squad building to accommodate crews and that the squad received an 80 percent state grant with a local required match of \$25,000 to replace three heart monitors that will no longer be supported due to hospitals upgrade from 3G. He said the squad is looking at replacing ceiling tiles, doors, heating and cooling system, training equipment, and garage doors. Mr. Lagow stated that Norton Rescue Squad has not turned over any calls since 2018, and that as many as 15 personnel have arrived for a cardiac arrest. He also noted that Norton Police Department is also very helpful being the first to arrive on the scene.

On behalf of council, Mayor Fawbush thanked Mr. Lagow, Mr. Cash, and the employees and volunteers of NRS for their efforts and stated that their service is a tremendous asset to the citizens of Norton.

Included in council's packets was a copy of a Memorandum of Understanding (MOU) between the City of Norton and the City of Bristol, Virginia, on behalf of the Division 4 Technical Rescue Team.

Mr. Todd Lagow said the City of Bristol operates the regional Division 4 Technical Rescue Team and that the city does not have enough members from its various rescue teams to provide enough staff for the Technical Rescue Team to service the region when needed. So, the City of Bristol has opened up the Technical Rescue Team to departments within the area that have people who are qualified. Currently, Billy Mays is training with the City of Bristol's Division 4 Technical Rescue Team and they would like to make him operational for deployment with additional training and equipment. Mr. Lagow said the MOU allows the governing bodies to work together and states that the City of Bristol will provide training, equipment, maintenance, and deployment, and that the City of Norton is responsible for having reimbursement paperwork submitted within 72 hours of returning from deployment and the city will ensure that personnel maintain minimum training standards.

After a brief discussion and upon a motion by Councilman Caruso, seconded by Councilman Fultz, and passed by unanimous vote, council moved to adopt a Memorandum of Understanding (MOU) between the City of Norton and the City of Bristol, Virginia, on behalf of the Division 4 Technical Rescue Team.

The city manager provided an update on the funds received from the Commonwealth of Virginia provided by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 and city administration's plans for the use of the relief funds.

Mr. Ramey provided a highlight on the history of the CARES Act of 2020, and the number of programs the act has provided due to the COVID-19 pandemic. The city received initial funding in the amount of \$347,327, from the CARES Act and in order to expend these monies certain qualifying conditions must be met with respect to the coronavirus. He said city administration has held off expending the funds to see if the federal government would allow localities to use the funds for lost revenue due to COVID-19 and because the future of the pandemic is unknown. Mr. Ramey said Governor Ralph Northram released the second half of the CARES Act funding last week and that city administration is requesting approval from council to authorize city administration to apply for the second round of funding in the same amount of \$347,327.

Mayor Fawbush asked the city manager if he was asking for council's recommendation on how to spend the CARES Act funds.

The city manager said that city administration can process funds as city council deems best but city administration is trying to be creative and would like to help small businesses.

Mayor Fawbush said he received notice that Old Dominion Power is disconnecting delinquent electrical services in August and that he would like for the funding to be put back in the community.

Councilman Caruso added that small businesses and citizens are our priority.

Upon a motion by Councilman Mays, seconded by Councilman Caruso, and passed by the following roll call vote: YES – Fultz, Mays, Caruso, Fawbush, NO – None, ABSENT – Belcher, council moved to authorize city administration to apply for the second half of funding from the CARES Act of 2020 in the amount of \$347,327.

Mr. Ramey, via a PowerPoint presentation, provided council with an update on the downtown revitalization project and gave an overview of ongoing projects.

Mr. Ramey showed that the Pedestrian Safety Action Plan (PSAP) work is almost completed and said the project is now in the phase of milling and paving the downtown intersections and the next step will be striping. He told council that the city will not be installing the former red brick pavers because the Virginia Department of Transportation (VDOT) indicated that white striping is more visible to vehicular traffic. Mr. Ramey noted that 11 storefronts have made façade improvements for a total investment of \$548,996.21 in the downtown with the city contributing \$67,160. He said the first wayfarer sign has been installed and the remaining signs will be installed within the next few weeks. Mr. Ramey said the eastern gateway enhancements at Dairy Queen have started with the installation of a new sidewalk with antique street lighting to be added with a welcome wall to be installed near the intersection as you come from Tipple Hill. He said other streetscapes will be done with grant funds and the rest will be installed by city employees. Mr. Ramey said city administration will concentrate first on installing the antique street lights on the north side of downtown from Route 74 to Wolfe, Williams and Reynolds law office then from Dairy Queen to Wise Hardware. He said no trees will be planted on the south side where Wise Hardware is located because the sidewalk is much narrower. Then the contractor will help with the entrance to the Fas mart Shamrock Gas Station to decrease the impact construction will have on their business. Next the 900 block area will be completed to tie in with the rest of downtown.

Mayor Fawbush said he is glad to see the progress continuing downtown.

Also included in packets for council consideration was a transfer to Norton City Schools, dated June 26, 2020, in the amount of \$300,000 to cover June payroll expenditures.

Upon a motion by Councilman Caruso, seconded by Councilman Mays, and passed by unanimous roll call vote, council moved to confirm the transfer to Norton City Schools, as stated above.

Upon a motion by Councilman Fultz, seconded by Councilman Caruso, and passed by the following roll call vote: YES – Fultz, Mays, Caruso, Fawbush, NO – None, ABSENT – Belcher, council moved to go into closed meeting for Personnel as per Section 2.2-3711 (A) (1) of the Code of Virginia, as amended.

Mayor Fawbush declared council in closed meeting.

Upon a motion by Councilman Mays, seconded by Councilman Fultz, and passed by unanimous vote, council moved to go back into open meeting.

Mayor Fawbush declared council back in open meeting.

The clerk polled each member of council as to the Certification of Closed Meeting with each answering yes. The clerk then read a Resolution of the Certification of Closed Meeting.

Upon a motion by Councilman Caruso, seconded by Councilman Mays, and passed by unanimous vote, council moved to adopt A Resolution of the Certification of Closed Meeting. (Insert)

Mayor Fawbush opened the floor for nominations to the Black Diamond Rural Conservation Development Council for a two-year term to expire July 1, 2022.

Councilman Caruso nominated Adam Wells to be reappointed to the Black Diamond Rural Conservation Development Council for a two-year term to expire July 1, 2022.

Upon a motion by Councilman Mays, seconded by Councilman Fultz, and passed by unanimous vote, council moved that the nominations cease.

Mayor Fawbush declared Adam Wells reappointed to the Black Diamond Rural Conservation Development Council, as stated above.

In comments from the city manager:

Mr. Ramey distributed a Memorandum of Understanding between the City of Norton and the Norton Industrial Development Authority (NIDA) at the request of the funding agency to reduce in writing the mutual covenants and agreements between the two parties regarding the High Knob Destination Center. Mr. Ramey gave an overview of the mutual goals and objectives between the city and NIDA.

Upon a motion by Councilman Caruso, seconded by Councilman Fultz, and passed by unanimous roll call vote, council moved to adopt the Memorandum of Understanding between the City of Norton and the Norton Industrial Development Authority (NIDA) regarding the High Knob Destination Center and to authorize Mayor Fawbush to execute the MOU.

Mr. Ramey said he provided council with copies of the latest High Knob and Flag Rock Recreation Area traffic counts.

The following comments were made by council members:

Councilman Fultz noted that Norton City Schools open tomorrow and that Norton is the first school division to reopen in the state since March 13th. He said school administration has worked diligently to put a plan in place to mitigate the spread of COVID-19.

Councilman Caruso congratulated school administration for getting the school system ready to open and for being the first school division in the state to open. He said it is not a small undertaking mentally or physically to open schools and it takes courage to do what the system is doing.

Councilman Fultz added that the school parents he has talked with said the cost of not going to school is greater than the risk of going.

Mayor Fawbush reminded council that the MIA/POW Memorial dedication will be at noon on Saturday, August 8<sup>th</sup> and he hopes members can attend.

Mayor Fawbush said the city has a lot of volunteers that work throughout the city and council needs to recognize them for their service.

After a brief discussion, it was the consensus of council to think through how to structure the recognition process.

Mayor Fawbush told members that he also thinks downtown businesses need to be recognized for being part of our community and for being downtown.

There being no further business to come before council, Mayor Fawbush declared the meeting adjourned.

	CITY OF NORTON, VIRGINIA		
	Joseph Fawbush, Mayor		
ATTEST:			
Rebecca K. Coffey, Clerk of Council			

# **City of Norton**

# Inter-Office Memo



To:

Mayor and City Council

From:

Fred L. Ramey, Jr., City Manager

CC:

Date:

August 14, 2020

Re:

Girl Scout Project

At this meeting, Angela Nauss from Norton Girl Scout Troop 1066, plans to present to City Council a proposed project at the Flag Rock Recreation Area.

Thank You.

#### INTERAGENCY AGREEMENT

#### City of Norton – County of xxxxx LENOWISCO Regional Small Business Recovery Assistance CDBG #20-20-10 UN

This Agreement entered into this	day of	20,	by and	between
the City of Norton, Virginia, and the County	of XXXXX:			

#### **WITNESSETH**

WHEREAS, the City of Norton has been approved by the Virginia Department of Housing and Community Development (VDHCD) to receive a Community Development Block Grant (CDBG) in the amount of up to \$1,700,000, in accordance with the grant application submitted by the City to fund the LENOWISCO Regional Small Business Recovery Assistance grant program (program); and WHEREAS, the City accepts these funds on behalf of itself and the three LENOWISCO counties – Lee County, Scott County, and Wise County – with funds to be distributed as follows: Norton City \$300,000, Lee County \$500,000, Scott County \$500,000, Wise County \$300,000, LENOWISCO Planning District Commission \$100,000 (project administration); and Under VDHCD regulations, the City of Norton is an eligible entity permitted to enter into a

Under VDHCD regulations, the City of Norton is an eligible entity permitted to enter into a contract for the receipt of CDBG funds to implement the program, on behalf of itself and the three LENOWISCO counties; and

WHEREAS, it is appropriate and proper for the legal entity, which is the recipient of the grant, to enter into a contractual agreement with another agency to carry out, implement and administer the project for which said funds are being distributed to the City; and

WHEREAS, each of the three LENOWISCO counties does agree to allow the City to receive and distribute the CDBG funds to each County, in the respective amounts above.

NOW, THEREFORE, for good and valuable consideration, including the mutual exchange of promises by and between parties, the City of Norton and the County of XXXXX do hereby mutually agree as follows:

- 1. The City of Norton agrees to accept \$1,700,000 in CDBG grant funds.
- The City of Norton agrees to enter into the necessary Agreement with VDHCD and to make all assurances required in the contract documents incorporated as part of the Agreement the City must sign in order to implement and receive the CDBG grant funds.
- 3. The County of XXXXX hereby formally agrees that it will fully and responsibly perform all the terms, conditions, assurances, and requirements which the City of Norton makes to VDHCD in the Agreement the City of Norton is required to sign in order to receive grant funding for the LENOWISCO Regional Small Business Recovery Assistance program.
- 4. The County of XXXXX agrees to promptly forward to the City of Norton any applications and supporting documentation submitted to the County of XXXXX by eligible local businesses, wishing to receive applicable grant funds.
- 5. The City of Norton and the County of XXXXX agree to actively participate on the Project Management Team and Review Committee, whose responsibilities include review of individual applications and supporting documentation from eligible local businesses, to support award of grant funds to said businesses.
- 6. The City of Norton agrees to submit remittances in accordance with VDHCD regulations not to exceed the amount of the approved grant, based upon applications and supporting documentation provided to the City and/or County of XXXXX by eligible local businesses.
- 7. The City of Norton agrees to disburse applicable awarded funds to local businesses promptly upon receipt of funds from VDHCD.
- 8. The City of Norton and the County of XXXXX hereby agree to properly administer the Community Development Block Grant through VDHCD for the LENOWISCO Regional Small Business Recovery Assistance program, in accordance with all applicable federal, state, and local laws. The City of Norton and the County of XXXXX also agree to comply with any and all VDHCD regulations, requirements, and restrictions in the administration of the CDBG award for implementation of the program.

- 9. It is agreed by and between the parties that any and all financial, administrative, and other records required to be maintained in conjunction with the program by any applicable regulation or agreement will be prepared and maintained by the LENOWISCO Planning District Commission, with the respective responsibilities of the City of Norton and the LENOWISCO Planning District Commission set out in a separate, executed document between those two parties.
- 10. The County of XXXXXX hereby agrees that it will perform all the functions the City of Norton has agreed to in the contract documents concerning the Community Development Block Grant for the LENOWISCO Regional Small Business Recovery Assistance program, as if the County of XXXXXX were the contracting party entering into the CDBG Agreement for the grant funds for the program.
- 11. The County of XXXXX agrees to save and hold harmless the City of Norton, the Norton City Council, and its officers, agents, and employees from any all liability, claims, suits, judgments, and recoveries of whatsoever nature which may arise in connection with the administration of the grant funds for the LENOWISCO Regional Small Business Recovery Assistance program, and the disbursement of said funds.
- 12. This Agreement may be amended from time to time only by written authorization of both parties, executed with the same formality as this Agreement.
- 13. This Agreement is governed in all respects by the laws of the Commonwealth of Virginia.

Witness the following signatures and seals as of the date first above written:

	CITY OF NORTON, VIRGINIA
ВУ	Fred L. Ramey, Jr., City Manager
Sworn and subscribed before me, a this day of	Notary Public, in and for the Commonwealth of Virginia, , 20
SIGNATURE: Notary Public	
My commission expires:/	/ Registration number:
	COUNTY OF XXXXXXXXX
ВҮ	XXXXXX XXXXXXXX, County Administrator
	Notary Public, in and for the Commonwealth of Virginia,
this day of	
SIGNATURE:Notary Public	
My commission expires:/	/ Registration number:

#### MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU") entered into this 18th day of AUGUST 2020 by and between THE UNITED WAY OF SOUTHWEST VIRGINIA and the CITY COUNCIL OF THE CITY OF NORTON, VIRGINIA ("Locality").

#### I. Purpose

The Locality and United Way of Southwest Virginia (UWSWVA), the Parties, enter into this Memorandum of Understanding to unify and expedite community services for disaster recovery projects that are associated with the Presidentially-declared disaster Coronavirus Disease 2019 (COVID-19) pandemic. This MOU is to formalize the commitments among the Parties to work together to respond to the needs of community citizens and agencies experiencing detrimental economic effects related to the Coronavirus Disease 2019 (COVID-19) pandemic.

#### II. Background

April 2, 2020, President Donald J. Trump declared a major disaster declaration for the Commonwealth of Virginia.

Following this declaration, the Federal Emergency Management Administration (FEMA) announced that federal emergency aid has been made available for the Commonwealth of Virginia to supplement state, tribal and local recovery efforts in the areas affected by the Coronavirus Disease 2019 (COVID-19) pandemic beginning on January 20, 2020 and continuing.

Public Assistance federal funding is available to the commonwealth, tribal and eligible local governments and certain private nonprofit organizations on a cost-sharing basis for emergency protective measures (Category B), including direct federal assistance under Public Assistance, for all areas in the Commonwealth of Virginia affected by COVID-19 at a federal cost share of 75 percent.

Additionally, the Parties acknowledge that on May 18, 2020, the MOU between the Pulaski County and United Way of Southwest Virginia establishing community services for disaster recovery projects that are associated with the Presidentially-declared disaster Coronavirus Disease 2019 (COVID-19) pandemic, was signed. The MOU formalizes United Way of Southwest Virginia's commitments to respond to the needs of community citizens and agencies experiencing detrimental economic effects related to the Coronavirus Disease 2019 (COVID-19) pandemic.

#### III. Responsibilities of Parties

Disaster recovery projects may involve funding, permitting, or approval from several federal agencies, in addition to state and local entities. Each agency will be responsible for identifying issues that must be addressed to satisfy the FEMA guidelines and for coordinating with other agencies as necessary. Each of the Parties to this MOU will be responsible for the following:

UWSWVA - will serve as a Lead Agency and coordinate project reviews for projects funded unde										
FEMA	programs	related	to	the	disaster	designated	[insert	<b>FEMA</b>	disaster	number
					] and prov	ide technical	assistan	ce for Loc	ality relat	ed issues.

The Locality – will serve as a Cooperating Agency for relief projects and provide technical assistance, as necessary, in evaluating projects to ensure adequate service delivery.

#### IV. Commitments of United Way of Southwest Virginia

In response to the Presidentially-declared disaster Coronavirus Disease 2019 (COVID-19) pandemic, the United Way of Southwest Virginia hereby commits, to the extent practicable, to provide the following community services in support disaster relief and recovery:

- A. **Organizing**: Quickly organize local leadership and stakeholders, as well as engage and communicate with the public.
- B. **Planning**: Assess local needs in recovery, carry out a recovery planning process, and determine projects to support the community's future vision and priorities.
- C. **Managing**: Assist local leadership in managing staffing and financing, and leveraging resources to support recovery strategy implementation.
- D. **Direct Assistance**: Assist to meet basic human needs, stabilize the incident, restore community functionality, and establish a safe and secure environment moving toward disaster recovery.

#### V. Duration

This MOU shall remain in effect for only as long as the FEMA Joint Field Office is in operation or for three (3) years, whichever comes first. Prior to such time, Parties may consult to reconsider the terms of this MOU and extend it for another term. Any extension should be made or captured in writing. Prior to such an extension, the Parties may amend the MOU in accordance with Stipulation VI. below.

#### VI. Amendments

This MOU may be amended when such an amendment is agreed to in writing by all Parties. The amendment will be effective on the date a copy of the amended MOU has been signed by all of the Parties.

#### VII. Termination

If any Party determines that the terms of the MOU will not or cannot be carried out, the Parties shall immediately consult with one another to develop an amendment in accordance with Stipulation VI, above. If within thirty (30) days an amendment cannot be reached, any Party may terminate the MOU upon written notification to the other Party.

### VIII. Appendices

A. Point of Contacts

B. Definitions

SIGNATURES:	
	Signature "Locality" Date Name
City Manager	
United Way of Conthuned Vincinia	Signature
United Way of Southwest Virginia	Date
Travis W. Staton President and CEO	
the Disaster-Specific MOU. There are ma	gnates responsible parties for maintaining the terms of ny Agencies involved in disaster recovery and staff rtant to include POCs along with methods to update
	g employees as the principal contacts regarding this ugh written notice to each Participant and Party.
United Way of Southwest Virginia Travis W. Staton   President and CEO   276-	-525-4076   tstaton@unitedwayswva.org
Government	t "Locality"

Title Phone E-Mail The Definition section describes the technical and operational terms contained in the MOU. Providing definitions will help avoid confusion and uncertainty. Definitions are particularly useful when multiple Agencies use terminology in different ways.

Disaster Recovery Project - An action taken after the immediate threat to life and property in a Presidentially-declared disaster has been addressed and which action to restore a community's facilities to pre-disaster condition or to pre-disaster capacity with such changes as may, for example, aid efficiency, resilience, or sustainability in those capabilities, or (b) provide hazard mitigation activities. Note: An action may be a disaster recovery project even while other "disaster response" actions continue to neutralize ongoing threats to the preservation of life and other property. There is no calendar deadline after which projects to restore a semblance of normal life in a disaster area are no longer considered disaster recovery projects. An action may be preliminary to actual restoration, such as providing debris removal or temporary housing.

**Disaster Response** - Actions taken immediately after a Presidentially-declared disaster occurs to save lives, protect property and the environment, meet basic human needs, stabilize the incident, restore basic services and community functionality, and establish a safe and secure environment moving toward disaster recovery.

**Party** - Agencies that have signed and committed to the roles and responsibilities outlined in this MOU.

## **City of Norton**

# Inter-Office Memo



To:

Mayor and City Council

From:

Fred L. Ramey, Jr., City Manager

CC:

Date:

August 14, 2020

Re:

**CARES Act Funding** 

Earlier this year, the Commonwealth of Virginia shared a portion of the \$3.1 billion funds that it received from the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 with counties and cities across the Commonwealth. At this meeting, I plan to share an update on recent use of the CARES funds and the City Administration's plans moving forward.

Thank You.

SCHOOL BOARD
Cody McElroy, Chairperson
Dr. Wes Campbell, Vice-Chairperson
Sherry Adams
Carol Caruso
Mark Leonard



DIVISION SUPERINTENDENT
Dr. Gina J. Wohlford
gwohlford@nortoncityschools.org
Phone 276.679.2330
Fax 276.679.4315

TO:

Jeff Shupe

FROM:

Jacquline Brooke

SUBJECT:

Request for Funds

DATE:

July 6, 2020

Norton City Schools requests a deposit of City Funds in the amount of \$710,075 to cover the General Obligation School Bond, Series 2012 payment.

Principal -

\$590,000

Interest -

\$120,075

Total -

\$710,075

Thank you!